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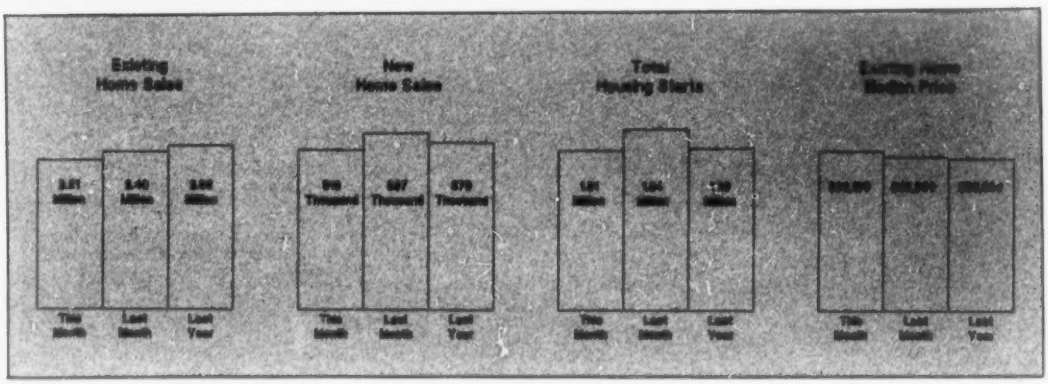
Vol. 3, No. 6 June 1989

Home Sales

Existing and New Single-Family, Apartment Condos and Co-ops

HOME SALES SUMMARY



HIGHLIGHTS

- Housing markets were mixed in May as existing and new home markets continued to move in opposite directions. Resale volume drifted lower for the second straight month as existing home sales fell 5.6 percent to a seasonally adjusted annual rate of 3,210,000 units. By contrast, the new home market posted a 2.7 percent gain to an annualized rate of 613,000 units.
- The total inventory of unsold existing and new homes available for sale slipped 3.1 percent to 2,922,000 units. This decrease was largely attributable to a 100,000 unit decrease in the supply of existing homes on the market. The months' supply of available homes rose to 9.5 months for existing and dropped marginally to 7.7 months for new homes.
- Total private housing starts fell 2.1 percent to a new 12-month low of 1,311,000 on a seasonally adjusted annual rate basis. Construction of single-unit structures dropped 4.6 percent to an annualized rate of 980,000 units, while structures with five or more units rebounded 14.9 percent from last month's 12-month low.
- The median price of an existing single-family home increased for the sixth straight month to reach a new high of $93,100. This was 3.9 percent above May of last year. The new home median price also posted a new high when it jumped 7.8 percent to $125,000, 13.6 percent above a year ago.
- Rising mortgage interest rates dealt another blow to the Housing Affordability Index in May. The index fell 3.1 points to 100.1 for the sixth straight monthly decline.

NATIONAL ASSOCIATION OF REALTORS®
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SURVEY DESCRIPTION

Publication

1. Home Sales is a monthly publication of the NATIONAL ASSOCIATION OF REALTORS®.

Coverage

2. Each month the REALTORS® Economics and Research Division receives data on existing single-family home sales from over 450 Boards of REALTORS® and multiple listing systems across the country. In 1988, data on over 1,140,000 existing single-family homes were received and processed.

3. Participating Boards are situated in every region of the country and provide wide geographic coverage of the existing home market. While almost all are located in, or adjacent to, standard metropolitan statistical areas, comparisons of their sales reports with data from the Annual Housing Survey show that, as a group, their experience is representative of the sales activity and prices that generally prevail in each region of the country.

Regions

4. Statistics on sales volume and price are published for the U.S. and for the four standard Census regions of the country. States contained in each region are as follows:

NORTHEAST
Connecticut
Maine
Massachusetts
New Hampshire
New Jersey
New York
Pennsylvania
Rhode Island
Vermont

SOUTH
Alabama
Arkansas
Delaware
Dist. of Columbia
Florida
Georgia
Kentucky
Louisiana
Maryland
Mississippi
North Carolina
Oklahoma
South Carolina
Tennessee
Texas
Virginia
W. Virginia

MIDWEST
Illinois
Indiana
Iowa
Kansas
Michigan
Minnesota
Missouri
Nebraska
North Dakota
Ohio
South Dakota
Wisconsin

WEST
Alaska
Arizona
California
Colorado
Hawaii
Idaho
Montana
Nevada
New Mexico
Oregon
Utah
Washington
Wyoming

5. Regional weights have been developed to represent the estimated importance of each region in the national existing home market. These weights are based on the regional distribution of owner-occupied single-family dwelling units and homeowner mobility. Weights are periodically revised to reflect shifts in regional demand. The most recent revision occurred in 1982 to reflect changes reported in the 1980 Census of Housing. Weights assigned each region are:

Northeast	.14	South	.35
Midwest	.28	West	.23

Sales Volume

6. Estimated total sales volume of single-family homes and condominiums and cooperatives for each region is computed by using a constant factor to blow up the reported sales of participating multiple listing systems. Regional factors were developed by analyzing the relationship between reported Board sales and measures of total market activity derived from special computer runs from the Annual Housing Survey tapes and from the 1980 Census of Housing.

7. Regional sales are then aggregated to yield national sales volume. Because of the method of computation, regional figures will not always total to the U.S. statistic. Such differences are due entirely to rounding.

8. Quarterly estimates for total existing home sales by state are developed subsequent to the national and regional single-family and apartment condominium/co-op statistics. A constant "blow-up" factor is used. These factors were developed by comparing sales reported by participating Boards to market activity benchmarks from the 1980 Census of Housing. State estimates are then adjusted to conform with regional totals.

9. In the main, a transaction is reported when the sales contract is signed, but a number of Boards report "closings". To the extent "closings" are contained in this series, they introduce a "distributive lag" effect which tends to smooth out month-to-month fluctuations in reported volume.

Sales Price

10. Median and average (mean) sales prices are computed for the U.S. and each region of the country and median sales prices are computed for selected metropolitan areas. Because of the nature of the distribution of home sales prices, the average (mean) sales price is higher than the median price.

11. Movements in sales prices should not be interpreted as measuring changes in the cost of a standard home. Prices are influenced by changes in cost and changes in the characteristics and size of homes actually sold.

12. There is a modest degree of seasonal variation in reported selling prices. Sales prices tend to reach a seasonal peak in July, and then decline moderately over the next three months before experiencing a seasonal upturn. However, sales prices are not seasonally adjusted.

Seasonal Adjustment

13. Volume statistics are seasonally adjusted using the X-11 Variant of the Census Method II Seasonal Adjustment Program of the Bureau of the Census. The procedure includes adjusting for trading-day variation—the number of Mondays, Tuesdays, etc., in a particular month. This type of fluctuation in the data was found to be significant.

14. Sales in each region are first seasonally adjusted and then aggregated to yield the U.S. statistic.

15. Seasonal indices are based on monthly single-family home sales activity dating from July 1966. Seasonal patterns for apartment condominium/cooperative sales and state home sales are based on quarterly data beginning in 1975. New seasonal adjusters are constructed at the conclusion of each year. Data for the three preceding years are revised using these new seasonal factors.

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THE NATIONAL ASSOCIATION OF REALTORS® is pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the nation. The Association encourages and supports an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, handicap, familial status or national origin.

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A New Look At An Old Problem

Repeatedly since this commentary began roughly a year and a half ago, attention has focused on the affordability of housing. Release of an updated State of the Nation's Housing by the Joint Center for Housing Studies at Harvard encourages me to revisit this crucial topic.

Clearly, an active housing resale (and new construction) market depends on an ample supply of ready, willing, and able buyers. The fact that homeownership rates have declined, not only for a cross section of the population, but also for the core first-time homebuyer groups (younger married couples with children), clearly illustrates that a large segment of the population is ready to buy, at least demographically.

They are also willing to buy. Time and again it has been pointed out that a key to the American dream, held by owners and renters alike, is owning your own home. They understand that homeownership has been the key to asset or wealth accumulation over the last 15-20 years, but even without that appreciation they want to own because it represents a lifestyle which is preferred because it allows more freedom and privacy. That freedom covers a broad range of personal choices including the ability to paint rooms the color you want, while the privacy typically includes a small yard and the ability to make more noise without disturbing the neighbors.

Once again the crucial issue is whether they are able to buy. Increasingly the evidence points to their inability to cross this threshhold. Is it a question of this younger generation not having the discipline to forego consumer goods in order to save, or are the costs of necessities the primary factor? While there are of course examples of this "Me Generation" who have given up on long-term objectives to pursue short-term gratification, the evidence is that the real cost of rental housing has increased, forcing households to spend an increasing share of their income on housing, in turn making it far more difficult for them to save toward a downpayment.

Make no mistake about it, the lack of sufficient downpaymnet is a primary roadblock in the way of homeownership for many young households. The purchase of a starter home, currently a median price of $77,500, will entail a downpayment of $7,750 at 10 percent down or $3,875 if a 95 percent loan can be arranged. However, the median net wealth of young adult renter household last year was $4,831, including their car, furniture, etc. The liquid assets of those households were only $2,159, well below the required downpayment. The difficulties these potential homebuyers face are obvious, and magnified by the realization that the downpayment numbers do not include closing costs, which may double the cash required at settlement.

Analysts at the Joint Center broke young renter households into four groups based on their ability to make a downpayment on a starter home and their ability to carry the resulting mortgage. In this analysis they assumed a 20 percent downpayment would be required. They concluded that 57.0 percent of young renter households had neither the assets nor the income to afford the home purchase, whil 11.5 percent had both the assets and the income. Most significantly, 24.2 percent had the income to carry the mortgage, but not the downpaymnet, while a surprising 7.3 percent could make the downpayment, but could not manage the monthly carrying costs.

Clearly lower downpayments will make it easier for more households to qualify for their first home purchase, but will not totally eliminate the problems of housing affordability for first-time buyers. The point is not lost that lower downpayments mean that mortgage amounts increase, and the income required to carry those mortgages must also increase.

Affordable housing is clearly in short supply for both homeowners and renters. Current and prospective future homeowners alike must be aware that the rental affordability problems will make it increasingly difficult for first-time buyers to accumulate the requisite downpayment, and without first-time buyers in the market, current owners will find it increasingly difficult to sell their current home, slowing their quest to move up to a larger or more luxurious home. While these problems may be most apparent today in the high-cost areas along the coasts, housing affordability is an issue in communities large and small in all parts of the country.

Glenn E. Crellin
Division Vice President

MAY HOUSING MARKETS

Existing home sales volume slipped another notch in May while new home sales edged upward for the second straight month. During May, existing home sales fell 5.6 percent to a seasonally adjusted annual rate of 3,210,000 units, 11.3 percent below the same month a year ago. By contrast, new home sales increased for the second month in a row to a seasonally adjusted annual rate of 613,000 units after hitting a 12-month low of 547,000 units in March.

As could be expected, the resale housing market has been vulnerable to the Federal Reserve Board's attempt to dampen economic activity and inflation by boosting interest rates. This action has translated to a rise in the effective mortgage interest rate which began to escalate last fall when the rate was in the 9.40 percent range. Since then, it has climbed to 10.46 percent in May. Over the same period, after hitting a 12-month high of 3,920,000 in December, marginal buyers have withdrawn from the market and sales have fallen sharply to the current level of 3,210,000 units.

When viewed on a regional basis, month-to-month comparisons show existing home sales were weak across the board. The Midwest region, where the impact of rising mortgage interest rates was compounded by a slowdown in the auto industry, posted the sharpest decrease with sales falling 10.1 percent to 800,000 units on a seasonally adjusted rate basis. The West posted the next steepest drop as sales fell 8.1 percent to an annualized rate of 570,000 units. Activity in the Northeast and South slipped 3.3 percent to 590,000 units and 3.9 percent to 1,230,000 transactions, respectively. The overall weakness of the market in May becomes more impressive when we note all regions posted year-to-year declines in the 10.0 percent to 14.0 percent range.

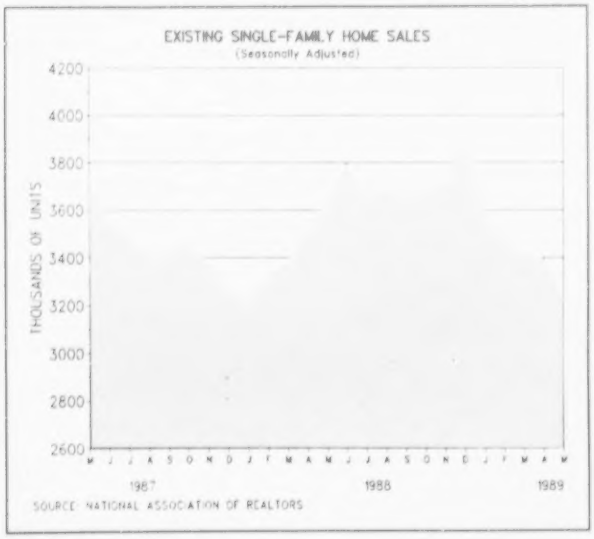
The increase in new home sales can be attributed to a pick-up in activity in three of the four regions. Most noteworthy was a 12.6 percent month-to-month jump in sales in the Northeast to 98,000 units on a seasonally adjusted annual rate basis. After an abrupt slowdown of sales in that region in the latter part of 1988, sales in the first 5 months of 1989 have improved in spite of the higher interest rates.

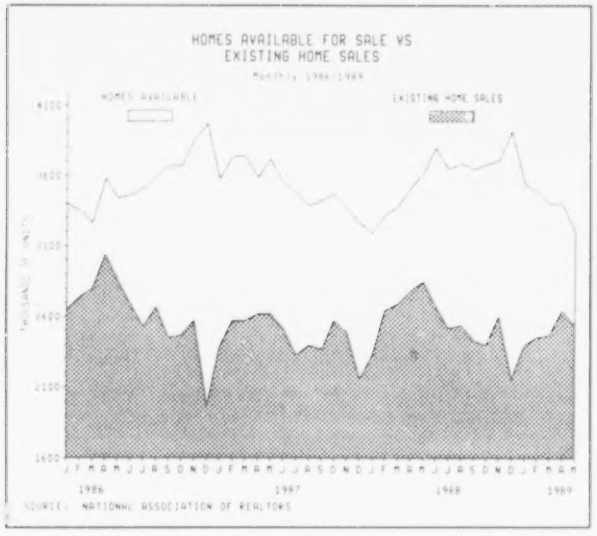
Sales in the other two regions also advanced with the South reporting a 2.6 percent monthly increase to a seasonally adjusted annual rate of 234,000 units and the West posting a 7.7 percent gain to 197,000 units. By contrast, sales in the Midwest tumbled 15.3 percent to a new 12-month low of 83,000 units.

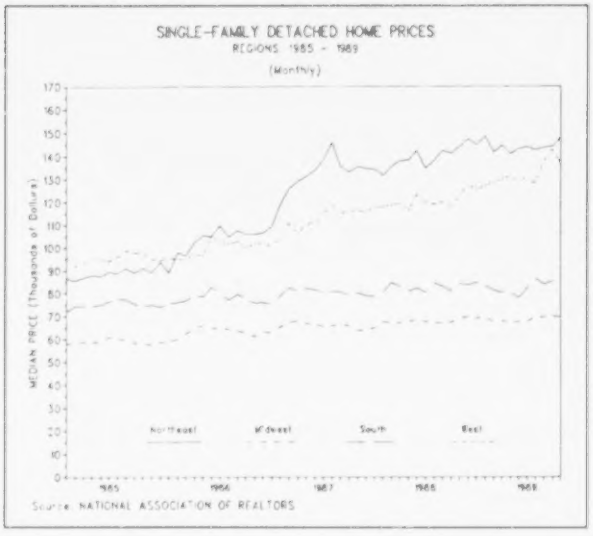
Inventory Available for Sale

The total number of homes available for sale in May slipped 3.1 percent to 2,922,000 units. During the period, the inventory of existing homes available for sale decreased by 100,000 units to 2,540,000 as the ranks of potential sellers thinned down somewhat. By contrast the supply of new homes on the market expanded as new homes being completed outpaced sales by 5,000 units to a total inventory of 377,000 units.

When put in terms of months' supply of housing the supply of existing homes rose modestly to 9.5 months while the supply of new homes declined marginally to 7.7 months.



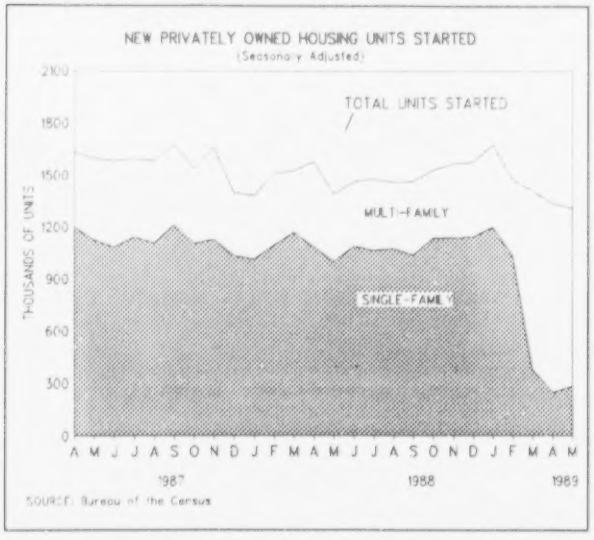




Housing Construction

Total new privately owned housing starts decreased for the fourth straight month as builders, struggling to adjust to changing demand, reduced the level of housing construction to a new 12-month low. Total housing starts slipped 2.1 percent in May to a seasonally adjusted annual rate of 1,311,000 units, 5.8 percent below the level of May 1988.

Construction of new one-unit structures fell 4.6 percent to 980,000 units, a shade below the 12-month low set in March. The only positive feature could be found in a 14.9 percent month-to-month increase in multi-family construction (buildings with 5 units or more) where there was a 37,000 unit increase to 285,000 units. This gain softened the impact of the drop in single-family construction on total housing starts for the month.

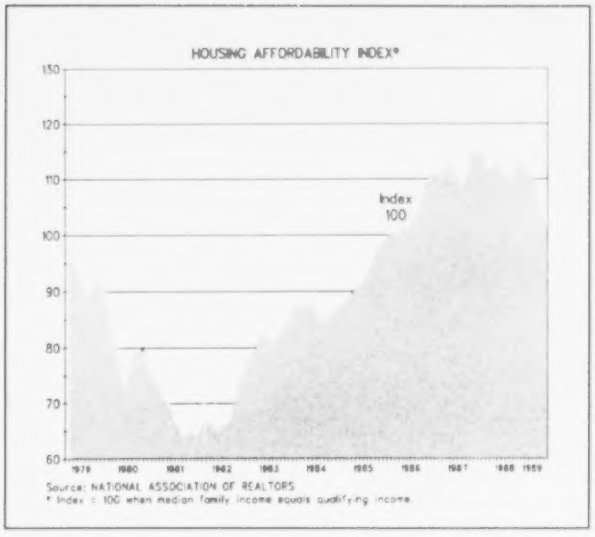


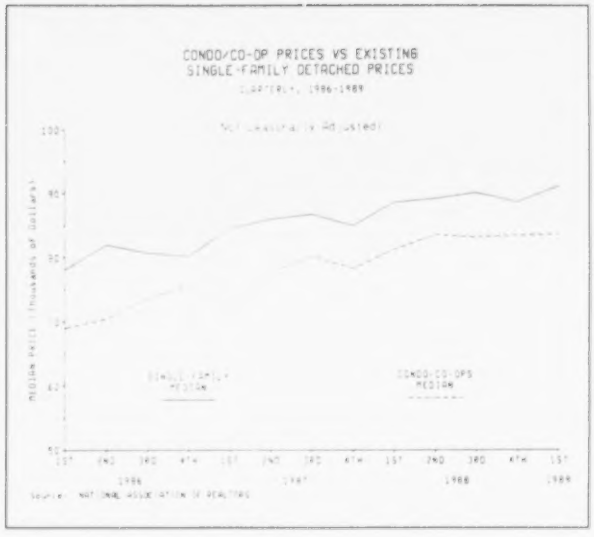
Regional comparisons turn up some sharp contrasts. After a rebound last month, housing starts turned weaker in the Northeast, falling 9.7 percent to a seasonally adjusted annual rate of 186,000 units. New construction in the Midwest was unchanged from last month at 269,000 units while the South reported a modest 1.7 percent decrease to 516,000 units. The West rebounded 7.4 from last month's 12-month low to a seasonally adjusted annual rate of 364,000 units.

Home Sales Prices

Home sales prices continued to climb into new high ground in May. The median price of an existing single-family home increased a modest $200 to $93,100, 3.9 percent above May of last year. The median price of a new single-family home posted a hefty $9,000 gain to $125,000. This was 13.6 percent above a year ago and $1,000 above the previous high set in March of this year. The overall market may have slowed but it appears that upscale housing continues to dominate.

Month-to-month price behavior varied across the regions with two regions up and two down while the more meaningful year-to-year comparisons pointed upward in all four regions. After languishing for several months, prices in the Northeast seem to be strengthening. In May the median price in the Northeast increased $3,500 to $147,500, 2.4 percent above a year ago and within easy reach of the all-time high of $148,400 set in August, 1988. Prices in the Midwest still appear to be on a plateau with the May median down $800 to $69,600, about one percent above a year ago. The month-to-month change was also small in the South, up $400 to $85,600 and 1.7 above last year's level of $84,200. After two successive strong months, prices in the West weakened this month when the median price retreated $6,400 to $136,300, but still 10.7 percent above May, 1988.


HOUSING AFFORDABILITY INDEX*
Index
100
Source: NATIONAL ASSOCIATION OF REALTORS
* Index = 100 when median family income equals qualifying income.



Resale Housing Affordability

Housing affordability has been adversly affected again by the Federal Reserve Board's anti-inflation policy. This month's 38 basis point rise in the effective interest rate was clearly the culprit in driving the Housing Affordability Index down to its lowest level since May 1986. In May the Housing Affordability Index dropped to 100.1 from 103.2 the month before.

At its present level, the affordability index means that the family earning the median family income of $32,644 has 100.1 percent of the income required to marginally qualify for a conventional mortgage covering 80 percent prevailing mortgage interest rates.

Needless to say, rising interest rates further strain the first-time homebuyer's finances and limit his or her access to the ranks of homeownership.

In the first quarter of 1989 the First-time Homebuyer Affordability Index stood at 75.2, meaning that the typical renter family in their prime homebuyer years (ages 25-44) had 75.2 percent of the income required to marginally qualify for a mortgage on a typically priced starter home, assuming a downpayment of just 10 percent.

Condominium/Cooperative Resales

Total apartment condominium/cooperative resale activity picked up in the first quarter of 1989 as sales increased 11.6 percent from the first quarter to a seasonally adjusted annual rate of 357,000 units. This was 3.8 percent above the same quarter of a year ago, but below the second quarter.

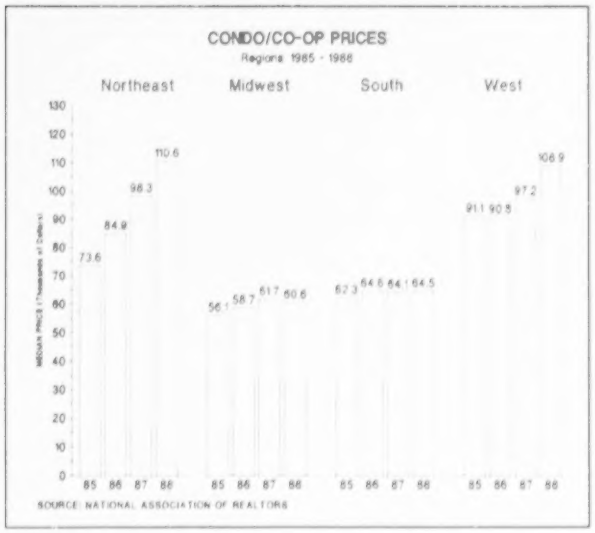
When viewed on a regional basis the gains in activity were broad with all four regions reporting quarter-to-quarter increases and three of the four regions reporting year-to-year increases--the exception being the Northeast. In the Northeast, sales were at a seasonally adjusted annual rate of 150,000 units, up 8.7 percent from the previous quarter which had been extremely slow, but down 9.1 percent from the same quarter of a year ago attesting to the sluggish demand there. In the Midwest, quarterly sales volume was 70,000 units, up 34.6 percent and 22.8 percent above a year ago. In the South, sales activity reached 94,000 units, up 2.2 percent from the previous quarter and 10.6 percent above a year ago. Volume in the West was at a 44,000 pace, 15.8 percent from the prior period and 15.8 percent from the year ago pace.

Condominium/cooperative prices resembled the pattern set by sales volume. That is, with the exception of the Northeast region prices were higher on both a quarter-to-quarter and year-to-year basis.

Nationally, condo and co-op prices were up marginally to $83,700, 3.0 percent above the same quarter of a year ago. When viewed on a regional basis, the market slowdown in the Northeast was reflected in a 3.9 percent quarter-to-quarter decrease to $107,000, 2.8 percent below last year's level. Prices in the Midwest and South were at new high levels with the Midwest registering a 3.9 percent increase to $64,300, up 11.4 percent from the same period last year, and the South up 6.3 percent to $67,900, 3.8 percent above a year ago. While prices in the West advanced a more modest 1.2 percent to $111,100, they were still up 6.6 percent from the same quarter last year.

Total Home Resales

On a national basis, total existing single-family home sales including condos and co-ops decreased moderately in the first quarter of 1989, after hitting an all time high in the last quarter of 1988. Overall volume fell 6.1 percent to a seasonally adjusted annual rate of 3,840,000 units compared to 4,090,000 units in the previous quarter. Despite this decline, volume was still 5.5 percent higher than the same quarter a year ago.



The quarter-to-quarter slowdown in overall home sales (including condos and co-ops) was shared by all regions. The Northeast recorded a 3.7 percent dip to a sales rate of 780,000 units this quarter, its third straight quarterly decline and verfication of the softening housing market in that region.

While the West registered a quarter-to-quarter decrease of 5.5 percent to an annualized rate of 690,000 units, year-to-year comparisions point to a robust increase of 16.9 percent, consistent with the economic activity in that region.

Overall volume was weakest in the South where sales fell 9.2 percent to a seasonally adjusted annual rate of 1,390,000 units, after reaching an all time high of 1,530,000 units during the fourth quarter of 1988.

Total home sales in the Midwest slid to a seasonally adjusted annual rate of 980,000 units, down 3.9 percent from the previous quarter but still 3.2 percent above the year ago number.

State Resale Market

Quarterly comparisons of state sales data verify the decline in total home sales this quarter. Twenty-six states and the District of Columbia reported fewer sales this quarter, nine of which posted a decline in sales activity of 10 percent or more. Alaska experienced the steepest quarter-to-quarter decline, 38.6 percent. Minnesota was next with a 25.3 percent decrease.

Comparisons with the same quarter of last year show that eighteen states reported a drop in sales. Once again, the most severe declines were felt in Minnesota and Alaska (down 23.3 and 22.5 percent respectively).

The ten states with the most sales volume accounted for 56 percent of the country's total home sales. California reported a 615,100 sales rate in the first quarter 1989, representing 14.5 percent of all home sales. Pennsylvania accounted for 6 percent of total sales, followed by: Texas (5.7%), Ohio (5.0%), New York (4.7%), Illinois (4.7%), Michigan (4.6%), Florida (4.6%), New Jersey (3.6%), and Tennessee (2.9%).

While home sales in both New Jersey and Missouri experienced a respective 2.3 and 2.2 percent drop in sales volume from a year ago, they still posted respective 23.4 and 15.6 percent increases in unit sales between this quarter and the previous quarter, indicating a pick-up of home sales activity in those states.

Total home sales volume in Massachusetts declined 6.4 percent from a year ago but showed signs of recovery, increasing 3.6 percent from the previous quarter to a seasonally adjusted annual rate of 91,600 units.

Sixty-five percent of the states comprising the South experienced a decline in the number of unit sales from the previous quarter. Louisiana, down 16.6 percent, reported the greatest percent decrease, while homes sold in South Carolina and North Carolina fell 15.2 and 14.1 percent, respectively.

Metropolitan Home Sale Prices

Of the nineteen metropolitan areas comprising the Midwest, only Akron reported a lower quarterly median home price, down a modest 1.9 percent from a year ago. Cleveland has experienced relatively little price movement, subsequent to a 5.1 percent price increase between the first and second quarter in 1988, hovering in the $69,000 range. The median home price in Peoria has decreased for three successive quarters to where it now has the lowest median price in our sample. Columbus, Madison, and Indianapolis all reported annual price increases of over 10 percent, reaching 11.6, 10.5, and 10.0 percent, respectively.

Metropolitan areas in the Northeast were more equally divided in price movement. The median home price in the Buffalo area continues in an upward trend, increasing more than 7 percent from the first quarter of 1988. The median home price in Providence, Rhode Island increased 4.5 percent from a year ago, but fell 4.2 from the previous quarter.

The Pacific Northwest coastal states also participated in the general price escalation along the West Coast. Both Oregon and Washington are benefitting from foreign investment with Washington's economy getting

strong support from the huge backlog of orders for commercial airplanes at Boeing Aircraft.

The median home price in the Seattle/Tacoma area has jumped 8.5 percent from the previous quarter to a new high of $99,700. This was 13.0 percent above the same quarter last year.

While overall prices have been higher in the South in the first quarter, some areas are doing much better than others, particularly where new Japanese auto assembly plants are located. Those showing noteworthy strength are Knoxville, Tennessee, up 4.3 percent from the previous quarter to $69,800 and 5.3 percent above a year ago. Louisville, Kentucky was another strong area with sales up 2.9 percent to $56,700 for the quarter, 8.6 percent above a year ago.

Halvor M. Juul
Director of Surveys

Ann E. Mulvaney
Research Economist

State Home Resales: First Quarter 1989
(Percent Change from 4th Quarter 1988)

Down 10% or More	Down 0.1 - 9.9%		Up 0.1 - 9.9%	Up 10% or More	
Alaska	Arizona	Missippi	Alabama	Hawaii	North Dakota
District of Columbia	Arkansas	Montana	California	Idaho	Ohio
Iowa	Colorado	New Hampshire	Florida	Indiana	Rhode Island
Louisiana	Connecticut	New York	Massachusetts	Kentucky	South Dakota
Minnesota	Delaware	Texas	Oklahoma	Michigan	Vermont
Nevada	Georgia	Utah	Oregon	Missouri	Washington
North Carolina	Illinois	Virginia	Tennessee	Nebraska	West Virginia
Pennsylvania	Kansas	Wisconsin		New Jersey	Wyoming
South Carolina	Maine			New Mexicco	
	Maryland				

Metropolitan Home Sales Price
(Change from 1st Quarter 1988)

Down		Up 0.1 - 4.9%		Up 5.0 - 9.9%	Up 10% or More
Akron	Oklahoma	Albuquerque	Milwaukee	Birmingham	Albany/Schenectady/Troy
Baton Rouge	Phoenix	Boston	Minneapolis/	Buffalo/NiagaraFalls	Baltimore
Charleston,SC	San Antonio	Cleveland	St. Paul	Chattanooga	Columbus, OH
Denver	Tulsa	Corpus Christi	Mobile	Chicago	Indianapolis
El Paso	Worcester	Dallas	Nashville	Cincinnati	Honolulu
Ft.Worth/Arlington		Daytona Beach	Omaha	Columbia, SC	Los Angeles Area*
Greenville/		Dayton/	Orlando	Des Moines	Madison
Spartanburg		Springfield	Peoria	Grand Rapids	Orange County (Anaheim/
Hartford		Detroit	Philadelphia	Knoxville	Santa Ana)*
Jacksonville		Ft. Lauderdale/	Pittsburgh	Lansing	Raleigh/Durham
Memphis.		Hollywood/Pom-	Providence	Las Ve ;as	Riverside/SanBernardino*
NewHaven/Meridan		panoBeach	Salt Lake City/Ogden	Lexington/Fayette	Rochester
New Orleans		Houston	Spokane	Louisville	Sacramento*
New York/No. New		Kansas City	Toledo	Miami/Hialeah	San Diego*
Jersey/Long Island		Little Rock/	Wichita	Montgomery	San Francisco*
		No. Little Rock	W. Palm Beach	Portland	Seattle/Tacoma
				St. Louis	Springfield, MA
				Washington, D.C.	Syracuse
					Tampa/St.Petersburg/
					Clearwater

* Provided by the California Association of REALTORS®

UNITED STATES SUMMARY

Year		Single-Family Home Sales (Seasonally Adjusted Annual Rates)		Number of Homes Available for Sale (End of Period)		Months' Supply of Homes on the Market		Median Sales Price of Single-Family Homes	
		Existing	New	Existing	New	Existing	New	Existing	New
1983		2,719,000	623,000	1,980,000	304,000	*	*	$70,300	$ 75,300
1984		2,868,000	639,000	2,260,000	358,000	*	*	72,400	79,900
1985		3,214,000	688,000	2,200,000	350,000	*	*	75,500	84,300
1986		3,565,000	750,000	1,970,000	361,000	*	*	80,300	92,000
1987		3,526,000	671,000	2,160,000	370,000	*	*	85,600	104,500
1988		3,594,000	677,000	2,160,000	367,000	*	*	89,300	112,500
1988	May	3,620,000	679,000	2,850,000	370,000	9.4	6.7	$89,600	$110,000
	Jun	3,800,000	716,000	2,680,000	367,000	8.4	6.3	90,200	111,500
	Jul	3,650,000	701,000	2,520,000	365,000	8.3	6.4	90,700	118,000
	Aug	3,690,000	712,000	2,540,000	363,000	8.2	6.3	91,500	110,000
	Sep	3,650,000	691,000	2,430,000	361,000	7.9	6.5	88,500	116,600
	Oct	3,680,000	718,000	2,400,000	353,000	7.9	6.1	88,900	112,900
	Nov	3,710,000	650,000	2,600,000	364,000	8.5	6.9	88,500	110,400
	Dec	3,920,000	669,000	2,160,000	366,000	6.5	6.7	88,700	121,000
1989	Jan	3,550,000	700,000	2,400,000	369,000	8.1	6.4	$89,700	$113,000
	Feb[r]	3,480,000	621,000	2,450,000	375,000	8.5	7.6	91,900	118,000
	Mar[r]	3,400,000	547,000	2,470,000	377,000	8.7	8.2	92,000	124,000
	Apr[r]	3,400,000	597,000	2,640,000	377,000	9.3	7.8	92,900	116,000
	May[p]	3,210,000	613,000	2,540,000	382,000	9.5	7.7	93,100	125,000

r Revised p Preliminary * not applicable
Source: New home sales data from Census Bureau, U.S. Department of Commerce.

UNIT VOLUME

EXISTING SINGLE-FAMILY HOME SALES

Year		United States	North-east	Midwest	South	West	United States	North-east	Midwest	South	West
1983		2,719,000	493,000	709,000	1,035,000	481,000					
1984		2,868,000	511,000	755,000	1,073,000	529,000					
1985		3,214,000	622,000	866,000	1,172,000	554,000					
1986		3,565,000	703,000	991,000	1,261,000	610,000					
1987		3,526,000	685,000	959,000	1,282,000	600,000					
1988		3,594,000	673,000	929,000	1,350,000	642,000					
		Seasonally Adjusted Annual Rates					Not Seasonally Adjusted				
1988	May	3,620,000	690,000	910,000	1,370,000	640,000	343,000	64,000	93,000	126,000	60,000
	Jun	3,800,000	720,000	1,000,000	1,410,000	680,000	379,000	73,000	102,000	133,000	71,000
	Jul	3,650,000	690,000	930,000	1,370,000	660,000	328,000	65,000	85,000	122,000	56,000
	Aug	3,690,000	680,000	930,000	1,400,000	670,000	368,000	73,000	94,000	134,000	66,000
	Sep	3,650,000	650,000	910,000	1,390,000	700,000	315,000	62,000	73,000	114,000	66,000
	Oct	3,680,000	640,000	940,000	1,410,000	690,000	304,000	59,000	73,000	114,000	59,000
	Nov	3,710,000	680,000	940,000	1,410,000	680,000	276,000	46,000	61,000	119,000	50,000
	Dec	3,920,000	700,000	1,010,000	1,500,000	700,000	258,000	44,000	62,000	105,000	48,000
1989	Jan	3,550,000	710,000	930,000	1,310,000	630,000	217,000	40,000	51,000	87,000	38,000
	Feb	3,480,000	600,000	920,000	1,310,000	640,000	223,000	34,000	66,000	83,000	39,000
	Mar	3,400,000	570,000	870,000	1,270,000	670,000	303,000	48,000	81,000	115,000	60,000
	Apr[r]	3,400,000	610,000	890,000	1,280,000	620,000	293,000	49,000	85,000	110,000	49,000
	May[p]	3,210,000	590,000	800,000	1,230,000	570,000	315,000	58,000	85,000	118,000	55,000

Components may not agree with totals due to rounding.
r Revised p Preliminary

DOLLAR VOLUME

DOLLAR VOLUME OF EXISTING SINGLE-FAMILY HOME SALES (Billions of Dollars)

Year		United States	North-east	Midwest	South	West	United States	North-east	Midwest	South	West
1983		$ 225.9	$ 42.1	$44.6	$ 84.4	$ 53.4					
1984		246.6	48.4	48.1	90.1	59.6					
1985		291.9	67.8	57.2	103.9	63.1					
1986		351.1	90.5	70.4	116.9	74.6					
1987		374.8	100.6	72.4	123.5	79.9					
1988		405.4	104.6	73.4	136.0	93.3					
		Seasonally Adjusted Annual Rates					Not Seasonally Adjusted				
1988	May	$410.1	$108.3	$72.1	$141.1	$ 92.2	$38.8	$10.1	$7.3	$13.0	$ 8.6
	Jun	439.0	114.2	80.9	145.8	100.4	43.7	11.6	8.3	13.8	10.4
	Jul	418.8	108.4	74.9	142.7	96.1	37.6	10.3	6.8	12.7	8.2
	Aug	425.8	110.2	75.4	143.7	99.4	42.4	11.8	7.6	13.7	9.8
	Sep	410.8	99.9	71.0	138.1	104.4	35.4	9.6	5.7	11.3	9.7
	Oct	413.0	100.1	74.1	137.0	102.5	34.2	9.1	5.8	11.0	8.8
	Nov	417.0	103.9	73.6	139.3	101.6	31.0	7.0	4.7	11.8	7.5
	Dec	438.6	106.4	79.6	147.5	104.7	29.9	5.5	4.9	10.2	7.1
1989	Jan	$401.6	$110.4	$73.2	$129.6	$ 94.1	$24.5	$6.2	$4.2	$ 8.6	$ 5.7
	Feb	409.7	92.3	74.2	147.3	95.8	26.3	5.2	5.3	9.4	5.8
	Mar	394.9	88.5	70.2	131.4	104.0	35.1	7.4	6.6	11.9	9.2
	Apr[r]	401.4	95.3	71.9	134.4	99.3	34.6	7.7	6.9	11.6	7.8
	May[p]	377.5	94.2	64.8	129.8	89.3	37.1	9.2	6.8	12.5	8.6

Components may not agree with totals due to rounding.
r Revised p Preliminary

SALES PRICE

SALES PRICE OF EXISTING SINGLE-FAMILY HOMES (Not Seasonally Adjusted)

Year		United States	North-east	Midwest	South	West	United States	North-east	Midwest	South	West
				Median					Average (Mean)		
1983		$70,300	$ 72,200	$56,600	$69,200	$ 94,900	$ 83,100	$ 85,400	$62,900	$ 81,500	$111,000
1984		72,400	78,700	57,100	71,300	95,800	86,000	94,800	63,700	84,000	112,700
1985		75,500	88,900	58,900	75,200	95,400	90,800	108,900	66,100	88,700	113,900
1986		80,300	104,800	63,500	78,200	100,900	98,500	128,700	71,100	92,700	122,200
1987		85,600	133,300	66,000	80,400	113,200	106,300	146,900	75,500	96,300	133,200
1988		89,300	143,000	68,400	82,200	124,900	112,800	155,500	78,900	100,800	145,400
1988	May	$89,600	$144,100	$69,000	$84,200	$123,100	$113,300	$156,400	$78,900	$103,000	$143,500
	Jun	90,200	147,300	70,000	83,900	127,000	115,400	158,800	81,100	103,600	147,700
	Jul	90,700	144,700	69,400	84,700	125,300	114,700	157,500	80,400	104,100	145,700
	Aug	91,500	148,400	69,800	83,400	126,900	115,400	161,200	81,000	102,400	147,900
	Sep	88,500	141,500	67,500	81,400	128,300	112,600	154,100	77,800	99,600	148,800
	Oct	88,900	144,400	68,000	80,500	130,000	112,300	155,700	79,100	97,100	149,100
	Nov	88,500	140,700	67,400	80,400	130,900	112,400	152,500	78,100	98,700	150,400
	Dec	88,700	143,000	67,700	78,200	128,700	112,000	152,500	79,000	97,800	149,100
1989	Jan	$89,700	$143,800	$67,800	$82,400	$130,700	$113,000	$155,400	$78,700	$ 98,900	$150,000
	Feb	91,900	142,600	69,900	86,700	127,800	117,800	154,100	80,600	112,400	148,500
	Mar	92,000	143,600	69,900	84,000	138,000	116,100	154,500	80,900	103,500	154,900
	Apr[r]	92,900	144,000	70,400	85,200	142,700	118,000	156,400	80,900	104,700	160,500
	May[p]	93,100	147,500	69,600	85,600	136,300	117,600	158,700	80,600	105,600	155,500

r Revised p Preliminary

SALES OF EXISTING SINGLE-FAMILY HOMES FOR THE UNITED STATES BY PRICE CLASS (Percentage Distribution)

Price Class	May 1985	May 1986	May 1987	May 1988[r]	May 1989[p]
$ 19,999 or under	1.7	1.3	1.3	1.8	1.9
$ 20,000-$ 29,999	3.1	2.2	2.2	2.3	2.5
$ 30,000-$ 39,999	6.4	4.8	4.6	4.9	4.4
$ 40,000-$ 49,999	9.5	7.9	7.4	7.4	6.6
$ 50,000-$ 59,999	11.6	10.2	9.4	8.5	8.0
$ 60,000-$ 69,999	11.9	10.7	10.4	9.0	8.4
$ 70,000-$ 79,999	10.8	10.1	9.5	9.0	8.7
$ 80,000-$ 89,999	9.0	8.7	8.5	8.3	7.6
$ 90,000-$ 99,999	6.5	6.7	6.6	6.0	6.1
$100,000-$119,999	8.7	9.6	9.1	8.9	8.7
$120,000-$159,999	10.9	13.3	13.5	13.4	13.8
$160,000-$199,999	4.5	6.4	6.9	8.0	8.5
$200,000-$249,999	2.4	3.6	4.5	5.1	6.2
$250,000 and over	3.0	4.5	6.1	7.4	8.6
Total	100.0	100.0	100.0	100.0	100.0
Median Price	$75,200	$83,200	$86,000	$89,600	$93,100

r Revised p Preliminary

SALES OF EXISTING SINGLE-FAMILY HOMES BY NUMBER OF BEDROOMS MAY 1989[p] (Percentage Distribution)

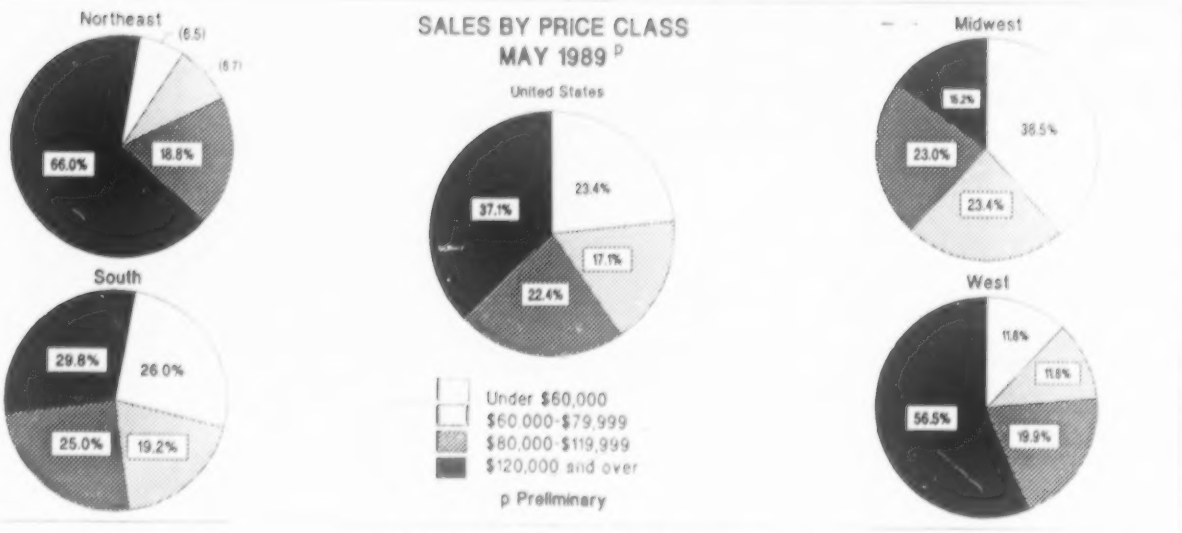
Number of Bedrooms	United States	North-east	Midwest	South	West
2 Bedrooms or less	17.4	16.1	19.9	14.6	20.3
3 Bedrooms	53.7	48.2	55.7	57.1	48.5
4 Bedrooms or more	28.9	35.8	24.4	28.3	31.2
Total	100.0	100.0	100.0	100.0	100.0

p Preliminary

SALES OF EXISTING SINGLE-FAMILY HOMES BY PRICE CLASS MAY 1989[p] (Percentage Distribution)

Price Class	United States	Northeast	Midwest	South	West
$ 19,999 or under	1.9	1.6	3.2	1.6	0.8
$ 20,000 - $ 29,999	2.5	0.6	4.4	2.7	1.0
$ 30,000 - $ 39,999	4.4	0.7	8.1	4.6	2.1
$ 40,000 - $ 49,999	6.6	1.2	10.7	7.6	3.4
$ 50,000 - $ 59,999	8.0	2.4	12.1	9.5	4.5
$ 60,000 - $ 69,999	8.4	3.5	12.0	9.4	5.8
$ 70,000 - $ 79,999	8.7	5.2	11.4	9.8	6.0
$ 80,000 - $ 89,999	7.6	4.8	9.2	8.4	6.1
$ 90,000 - $ 99,999	6.1	4.7	6.1	7.1	5.5
$100,000 - $119,999	8.7	9.3	7.7	9.5	8.3
$120,000 - $159,999	13.8	22.9	8.6	13.1	14.7
$160,000 - $199,999	8.5	17.5	3.2	6.6	12.1
$200,000 - $249,999	6.2	11.6	1.6	4.3	11.5
$250,000 and over	8.6	14.0	1.8	5.8	18.2
Total	100.0	100.0	100.0	100.0	100.0
Median Price	$93,100	$147,500	$69,800	$85,600	$136,300

p Preliminary



HOUSING AFFORDABILITY

Year	Median-Priced Existing Single-Family Home	Mortgage Rate*	Monthly P & I Payment	Payment as % Income	Median Family Income	Qualifying Income**	Affordability Indexes: Composite	Fixed	ARM
1983	$70,300	12.85%	$616	30.1%	$24,580	$29,546	83.2	81.7	85.2
1984	72,400	12.49	618	28.2	26,433	29,650	89.1	84.6	92.1
1985	75,500	11.74	609	26.2	27,735	29,243	94.8	89.6	100.6
1986	80,300	10.25	563	23.0	29,458	27,047	108.9	105.7	116.3
1987	85,600	9.28	565	22.0	30,853	27,113	113.8	107.1	122.0
1988	89,300	9.31	591	22.1	32,100	28,360	113.2	103.3	121.6
1988									
May	$89,600	9.22%	$588	22.5%	$31,373	$28,231	111.1	102.6	120.2
Jun	90,200	9.28	595	22.7	31,476	28,570	110.2	100.7	119.4
Jul	90,700	9.32	601	22.8	31,580	28,830	109.5	99.0	118.6
Aug	91,500	9.32	606	22.9	31,684	29,084	108.9	98.1	117.4
Sep	88,500	9.30	585	22.1	31,788	28,081	113.2	101.0	121.5
Oct	88,900	9.41	593	22.3	31,892	28,481	112.0	100.6	120.5
Nov	88,500	9.48	594	22.3	31,996	28,526	112.2	102.8	119.4
Dec	88,700	9.59	601	22.5	32,100	28,864	111.2	103.0	119.3
1989									
Jan	$89,700	9.61%	$609	22.7%	$32,207	$29,240	110.1	101.4	118.3
Feb	91,900	9.78	632	23.5	32,314	30,375	106.4	97.8	113.5
Mar	92,000	9.93	642	23.8	32,421	30,820	105.2	97.8	111.7
Apr r	92,900	10.08	657	24.2	32,528	31,517	103.2	96.4	109.1
May p	93,100	10.46	679	25.0	32,644	32,595	100.1	94.6	105.9

* Effective rate on loans closed on existing homes – Federal Home Loan Bank Board. r Revised p Preliminary
** Based on current lending requirements of the Federal National Mortgage Association using a 20 percent down payment.

FIRST-TIME HOMEBUYER AFFORDABILITY

Year	Starter Home Price	10% Down Payment	Loan Amount	Effective Interest Rate*	Effective I Rate Plus PMI	Monthly Payment	Prime First-Time Median Income	Qualifying Income**	First-Time Buyer Affordability Index	Composite Affordability Index	Affordability GAP (Percent)
1983	$59,800	$5,980	$53,820	12.85%	13.10%	$600	$17,109	$28,799	59.4	83.2	-28.6
1984	61,500	6,150	55,350	12.49	12.74	601	18,735	28,851	64.9	89.1	-27.2
1985	64,200	6,420	57,780	11.74	11.99	594	19,484	28,507	68.3	94.8	-28.0
1986	68,300	6,830	61,470	10.25	10.50	562	20,400	26,990	75.6	108.9	-30.6
1987	72,700	7,280	65,520	9.28	9.53	552	20,916	26,513	78.9	113.8	-30.7
1988	75,900	7,590	68,310	9.31	9.56	577	21,898	27,714	79.0	113.2	-30.2
1988											
I	$75,300	$7,530	$67,770	9.18%	9.43%	$566	$21,162	$27,187	77.8	112.0	-30.5
II	75,900	7,590	68,310	9.24	9.49	574	21,408	27,547	77.7	111.7	-30.4
III	76,700	7,670	69,030	9.31	9.56	583	21,653	28,006	77.3	111.0	-30.3
IV	75,400	7,540	67,860	9.49	9.74	583	21,898	27,961	78.3	112.2	-30.2
1989											
I	$77,500	$7,750	$69,750	9.77%	10.02%	$613	$22,143	$29,431	75.2	107.2	-29.9

* Effective rate on loans closed on existing homes – Federal Home Loan Bank Board. r Revised p Preliminary
** Based on current lending requirements of the Federal National Mortgage Association using 10 percent down payment.

CONDO AND CO-OP SALES

APARTMENT CONDO AND CO-OP SALES
(Seasonally Adjusted Annual Rates)

Year		United States	Northeast	Midwest	South	West
1983		205,000	79,000	41,000	54,000	31,000
1984		230,000	96,000	45,000	55,000	34,000
1985		279,000	135,000	50,000	64,000	30,000
1986		332,000	166,000	60,000	73,000	33,000
1987		361,000	189,000	64,000	78,000	31,000
1988		357,000	167,000	63,000	87,000	39,000
1988	I	344,000	165,000	57,000	85,000	38,000
	II	414,000	208,000	74,000	83,000	48,000
	III	340,000	154,000	66,000	87,000	33,000
	IV	320,000	138,000	52,000	92,000	38,000
1989	I	357,000	150,000	70,000	94,000	44,000

TOTAL EXISTING HOME SALES
SINGLE-FAMILY, APARTMENT CONDOS AND CO-OPS
(Seasonally Adjusted Annual Sales)

Year		United States	Northeast	Midwest	South	West
1983		2,924,000	572,000	750,000	1,089,000	512,000
1984		3,098,000	607,000	800,000	1,128,000	563,000
1985		3,493,000	757,000	916,000	1,236,000	584,000
1986		3,897,000	869,000	1,051,000	1,334,000	643,000
1987		3,887,000	874,000	1,023,000	1,360,000	630,000
1988		3,951,000	840,000	992,000	1,437,000	681,000
1988	I	3,640,000	820,000	950,000	1,290,000	590,000
	II	4,060,000	900,000	1,010,000	1,450,000	690,000
	III	4,000,000	830,000	990,000	1,470,000	710,000
	IV	4,090,000	810,000	1,020,000	1,530,000	730,000
1989	I	3,840,000	780,000	980,000	1,390,000	690,000

MEDIAN SALES PRICE OF APARTMENT CONDOS AND CO-OPS, QUARTERLY
(Not Seasonally Adjusted)

Year		United States	Northeast	Midwest	South	West
1983		$64,000	$ 61,300	$55,200	$62,000	$ 97,300
1984		65,100	64,700	55,600	63,300	94,600
1985		67,600	73,600	56,100	62,300	91,100
1986		72,600	84,900	58,700	64,600	90,800
1987		77,800	98,300	61,700	64,100	97,200
1988		83,100	110,600	60,600	64,500	108,900
1988	I	$81,300	$110,100	$57,700	$65,400	$104,200
	II	83,600	110,300	60,600	65,400	107,500
	III	83,300	110,300	61,500	63,500	112,500
	IV	83,500	111,400	61,900	63,900	109,800
1989	I	$83,700	$107,000	$64,300	$67,900	$111,100

STATE SALES DATA

TOTAL EXISTING HOME SALES FOR EACH STATE
SINGLE-FAMILY, APARTMENT CONDOS AND CO-OPS
(Units in Thousands)

State	Years			Quarters (Seasonally Adjusted Annual Rate)				
				1988				1989
	1986	1987	1988	I	II	III	IV	I
Alabama	60.8	59.7	52.6	51.8	51.1	55.1	51.1	51.1
Alaska	6.1	7.7	9.6	8.0	8.3	12.0	10.1	6.2
Arizona	73.8	67.3	64.4	58.0	60.0	69.2	71.2	65.3
Arkansas	52.8	48.2	46.6	40.1	51.2	46.8	47.9	46.2
California*	484.6	507.0	562.8	502.9	566.9	587.4	593.9	615.1
Colorado	47.5	46.7	49.3	40.2	49.9	53.1	50.7	48.3
Connecticut	52.0	52.5	57.1	53.6	59.1	55.4	59.1	56.4
Delaware	12.9	14.0	13.3	12.7	14.1	13.3	13.1	12.2
District of Columbia	11.6	10.5	10.8	10.9	10.4	10.7	11.4	10.0
Florida	169.4	184.2	183.1	173.2	184.2	193.0	179.8	193.0
Georgia	75.1	89.0	84.9	88.8	84.3	76.3	88.3	85.9
Hawaii	10.0	11.5	10.3	10.9	10.5	10.0	9.9	13.4
Idaho	11.3	10.9	11.3	10.9	11.3	11.5	11.5	13.6
Illinois	179.2	175.3	186.5	172.4	180.2	191.8	203.4	197.6
Indiana	86.1	89.8	85.1	85.6	91.9	80.4	81.4	91.9
Iowa	46.1	48.3	54.0	47.2	53.6	57.4	56.8	45.3
Kansas	54.4	54.4	50.6	51.9	49.0	51.9	50.2	48.5
Kentucky	58.6	64.1	67.9	67.9	68.6	69.2	65.4	75.7
Louisiana	34.0	40.4	34.5	32.6	29.6	33.4	42.8	35.7
Maine	30.8	35.2	34.2	32.1	36.3	35.0	31.4	30.5
Maryland	86.9	78.5	86.2	74.7	80.1	89.6	97.1	89.6
Massachusetts	84.6	100.5	93.3	97.9	95.3	92.8	88.4	91.6
Michigan	186.6	169.6	168.6	171.9	177.6	160.6	160.6	194.6
Minnesota	96.8	89.4	82.4	86.3	78.9	79.6	88.6	66.2
Mississippi	34.2	34.2	30.6	28.8	30.4	28.8	33.9	31.6
Missouri	88.4	88.4	83.1	92.4	77.2	82.3	78.2	90.4
Montana	11.9	11.6	11.9	10.3	11.8	12.2	12.8	11.6
Nebraska	25.5	23.3	22.4	24.8	21.0	22.0	23.1	27.2
Nevada	11.0	12.2	12.2	11.4	10.9	13.1	13.6	12.0
New Hampshire	20.3	19.2	15.3	16.1	14.6	15.6	15.0	14.0
New Jersey	159.6	157.3	142.3	155.1	159.6	130.9	122.8	151.5
New Mexico	19.5	20.0	18.6	17.1	20.5	18.5	17.9	20.2
New York	216.8	223.9	213.4	206.8	218.2	216.3	208.7	201.1
North Carolina	139.2	140.6	141.8	134.7	143.3	146.1	141.4	121.4
North Dakota	9.5	11.2	11.2	11.4	11.5	11.2	10.7	13.6
Ohio	179.9	180.9	181.9	185.7	185.7	176.0	181.9	212.8
Oklahoma	49.4	44.6	49.6	45.3	46.8	52.1	52.8	55.1
Oregon	45.0	48.5	53.1	48.7	53.2	55.2	55.8	57.8
Pennsylvania	258.3	259.5	276.5	259.9	267.8	291.6	283.7	253.6
Rhode Island	13.5	13.4	13.8	12.8	15.8	13.4	12.7	14.6
South Carolina	58.0	60.9	63.3	50.9	65.0	70.6	61.7	52.3
South Dakota	13.2	13.0	14.2	14.9	11.5	14.7	16.1	21.8
Tennessee	112.0	111.2	102.6	101.2	102.0	97.2	109.9	112.3
Texas	198.9	224.3	238.5	220.8	229.3	246.3	254.8	240.6
Utah	14.6	14.6	14.3	14.0	14.0	14.3	14.8	13.5
Vermont	12.4	12.9	13.4	13.6	14.4	13.5	11.6	14.1
Virginia	130.4	113.0	113.6	111.4	112.5	113.6	118.0	108.0
Washington	50.6	43.6	48.9	46.2	49.7	51.5	47.1	57.6
West Virginia	39.7	36.6	44.5	56.0	46.5	38.0	36.4	64.2
Wisconsin	76.9	73.3	72.2	66.8	73.8	65.2	81.5	73.8
Wyoming	6.1	6.0	5.8	5.3	6.3	5.9	5.5	6.9

* Provided by the California Association of REALTORS®.

METROPOLITAN AREA DATA

MEDIAN SALES PRICE OF EXISTING SINGLE-FAMILY HOMES FOR METROPOLITAN AREAS*
(Not Seasonally Adjusted in Thousands of Dollars)

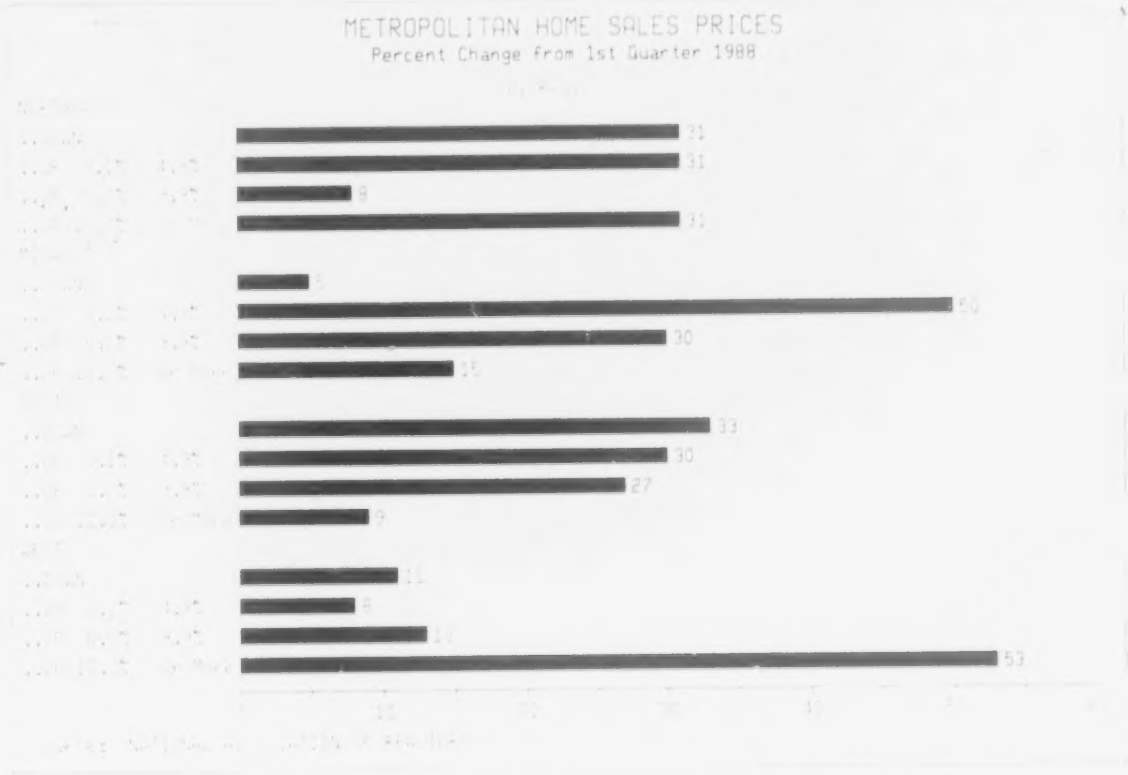
Metropolitan Area	Years			Quarters				
	1986	1987	1988	1988				1989
				I	II	III	IV	I
Akron, OH	$ 56.2	$ 57.1	$ 59.9	$ 57.1	$60.1	62.6	58.4	56.0
Albany/Schenectady/Troy, NY	72.7	86.4	92.2	87.0	91.1	92.3	100.1	102.1
Albuquerque, NM	81.6	82.6	80.4	79.7	81.6	83.4	75.8	82.0
Orange County(Anaheim/Santa Ana MSA), CA**	147.7	167.3	206.9	182.7	200.0	217.4	226.4	237.8
Atlanta, GA	n/a	n/a	n/a	n/a	n/a	81.1	80.5	80.3
Baltimore, MD	74.0	81.1	88.7	83.6	87.3	92.3	89.6	92.2
Baton Rouge, LA	70.9	67.8	64.7	65.7	64.5	64.1	64.8	61.1
Birmingham, AL	68.3	71.6	75.7	73.1	76.5	77.3	74.9	77.3
Boston, MA	159.2	177.2	181.2	176.9	182.9	183.8	179.3	177.0
Buffalo/Niagara Falls, NY	52.4	56.7	65.6	64.1	64.8	66.6	67.5	68.7
Charleston, SC	n/a	72.7	73.1	72.6	73.5	74.4	71.3	72.4
Charlotte, NC	n/a	n/a	n/a	n/a	n/a	81.1	80.5	85.2
Chattanooga, TN	55.3	59.0	63.5	61.2	63.2	64.2	64.9	65.6
Chicago, IL	86.1	90.8	98.9	92.8	99.3	100.8	98.4	99.6
Cincinnati, OH	n/a	66.1	69.7	66.7	69.6	71.8	70.2	72.9
Cleveland, OH	66.9	68.1	69.2	66.5	69.9	69.8	69.3	69.4
Columbia, SC	67.2	68.4	69.7	68.3	70.6	70.7	68.7	71.9
Columbus, OH	65.5	68.7	72.6	66.2	73.4	74.5	74.6	73.9
Corpus Christi, TX	66.0	65.9	64.9	63.2	64.8	63.2	66.5	63.2
Dallas, TX	93.2	90.8	90.8	81.9	90.5	88.6	87.0	89.8
Daytona Beach, FL	57.7	60.2	62.6	59.3	63.3	62.7	64.1	59.5
Dayton/Springfield, OH	57.3	59.4	63.3	61.8	63.4	63.8	63.6	64.4
Denver,CO	86.4	88.9	81.8	83.7	83.4	81.1	79.7	80.8
Des Moines, IA	55.9	55.6	55.8	54.5	58.2	55.0	54.8	57.3
Detroit, MI	58.1	65.6	73.1	71.5	72.3	76.4	73.4	71.9
El Paso, TX	59.0	59.2	59.6	57.8	60.5	62.0	58.8	57.2
Ft.Lauderdale/Hollywood/Pompano Beach, FL	77.7	79.6	81.1	78.6	79.2	84.7	81.4	82.1
Ft. Worth, TX	87.9	80.0	73.3	76.0	70.7	73.9	73.6	73.6
Grand Rapids, MI	50.4	53.5	57.9	55.4	58.3	59.0	59.2	59.2
Greenville/Spartanburg, SC	64.3	64.2	65.9	64.1	64.9	68.7	64.5	60.8
Hartford, CT	129.0	157.4	167.6	166.4	169.0	168.8	165.0	165.5
Honolulu, HI	172.0	186.0	215.1	198.4	198.7	226.0	225.0	245.0
Houston, TX	69.9	65.9	61.8	60.2	63.5	65.5	56.8	62.9
Indianapolis, IN	59.0	62.5	66.1	61.8	66.7	67.5	66.6	68.0
Jacksonville, FL	62.8	65.1	67.7	68.9	67.4	67.2	67.9	65.9
Kansas City, MO/KS	65.4	69.8	70.5	70.9	71.9	69.9	69.3	73.8
Knoxville, TN	60.3	65.4	67.0	66.3	65.5	69.1	66.9	69.8
Lansing, MI	52.4	54.5	56.6	53.4	57.8	57.0	56.2	57.9
Las Vegas, NV	77.5	77.0	78.8	75.7	77.9	80.7	80.2	80.5
Lexington/Fayette, KY	67.7	72.5	73.5	69.7	72.7	75.6	75.4	74.9
Little Rock/N. Little Rock, AR	63.2	63.1	63.9	63.0	63.1	65.6	63.8	63.4
Los Angeles Area, CA**	128.8	147.7	179.4	159.1	174.9	189.2	191.1	201.0
Louisville, KY	51.7	51.7	54.5	52.2	54.1	56.0	55.1	56.7
Madison, WI	66.4	69.2	72.0	67.7	71.8	74.2	70.7	74.7
Memphis, TN	70.6	75.0	76.3	77.5	76.8	76.6	74.5	77.0
Miami/Hialeah, FL	81.1	81.1	82.9	78.0	83.5	82.6	84.0	83.0
Milwaukee, WI	69.9	70.5	74.5	72.6	75.3	75.6	73.1	76.0
Minneapolis/St Paul, MN	77.9	80.5	85.2	84.4	84.3	86.0	87.2	35.9
Mobile, AL	52.9	55.6	53.0	50.6	49.7	56.1	55.8	50.9
Montgomery, AL	61.0	64.8	64.5	62.4	65.6	65.3	63.6	66.0
Nashville/Davidson, TN	70.8	75.5	77.6	77.6	78.3	78.1	76.5	79.6
New Haven/Meridan, CT	n/a	156.9	169.4	168.9	168.9	173.5	160.2	166.7
New Orleans, LA	n/a	n/a	73.1	73.0	73.2	74.8	70.9	68.4
NewYork/N. NewJersey/Long Island, NY/NJ/CT	160.6	183.5	183.8	187.0	194.0	192.1	179.8	179.7
Oklahoma City, OK	63 0	62.3	56.2	56.5	56.9	57.9	53.5	52.3
Omaha, NE	58.8	59.0	59.5	58.3	58.7	60.3	59.9	60.9
Orlando, FL	72.5	76.2	79.1	78.7	77.7	81.3	78.1	79.1
Peoria, IL	45.7	46.5	45.0	41.4	46.0	45.8	44.3	42.0
Philadelphia, PA	82.4	97.0	102.4	97.7	101.9	106.5	104.1	104.7
Phoenix, AZ	78.4	80.9	80.0	79.0	79.1	82.3	79.6	78.5
Pittsburgh, PA	n/a	n/a	63.2	60.9	62.2	66.3	62.8	62.4
Portland, OR	62.6	64.2	64.4	62.9	64.9	64.8	64.8	67.1

METROPOLITAN AREA DATA (continued):

MEDIAN SALES PRICE OF EXISTING SINGLE-FAMILY HOMES FOR METROPOLITAN AREAS*
(Not Seasonally Adjusted in Thousands of Dollars)

Metropolitan Area	Years			Quarters				
	1986	1987	1988	1988				1989
				I	II	III	IV	I
Providence, RI	87.6	121.4	130.6	123.3	130.4	131.9	133.0	128.8
Raleigh/Durham, NC	89.5	98.0	97.0	87.7	99.8	100.0	97.6	102.0
Riverside/San Bernardino, CA**	94.5	96.1	106.7	95.5	104.9	109.6	113.2	116.1
Rochester, NY	68.3	72.5	75.7	73.2	73.7	78.3	76.3	76.4
Sacramento, CA**	n/a	87.5	95.3	88.2	92.3	100.2	97.4	100.3
Salt Lake City/Ogden, UT	68.5	69.4	67.7	65.3	66.9	70.0	67.7	67.8
San Antonio, TX	69.2	70.2	65.0	63.4	65.2	68.2	62.1	61.6
San Diego, CA**	118.2	129.2	147.8	134.4	142.6	152.1	157.2	163.9
San Francisco Bay Area, CA**	161.2	171.3	212.6	185.1	202.8	218.9	232.4	243.9
Seattle/Tacoma, WA	n/a	82.6	88.7	88.2	93.6	89.8	91.9	99.7
Spokane, WA	53.3	51.2	51.1	49.9	52.9	50.9	50.3	50.2
Springfield, MA	87.6	105.2	118.4	113.2	105.8	127.4	121.7	124.4
St. Louis, MO	70.9	74.3	78.1	74.1	79.5	81.1	75.7	81.4
Syracuse, NY	64.3	68.9	74.6	68.1	74.9	75.4	75.9	76.9
Tampa/St.Petersburg/Clearwater, FL	61.1	63.8	65.6	60.2	65.5	67.9	66.2	68.6
Toledo, OH	56.0	56.3	58.4	56.5	59.7	59.9	56.4	57.7
Tulsa, OK	65.5	65.7	65.0	63.5	65.0	65.5	65.3	60.5
Washington, DC/MD/VA	101.6	114.2	132.5	132.4	131.2	135.8	130.1	143.7
W. Palm Beach/Boca Raton/Delray Beach, FL	92.6	102.6	99.0	91.5	94.8	107.4	102.0	94.4
Wichita, KS	n/a	n/a	60.1	57.6	60.3	62.0	59.6	60.4
Worcester, MA	n/a	139.1	147.5	147.8	146.0	153.0	143.1	146.8

n/a Not Available
* All areas are metropolitan statistical areas (MSA) as defined by the US Office of Management and Budget. They include the named central city and surrounding areas.
** Provided by the California Association of REALTORS®.



METROPOLITAN AREA HOUSING AFFORDABILITY
Selected Metropolitan Areas by Major Components, First Quarter: 1989

Metropolitan Area***	Median-Priced Existing Single-Family Home	Mortgage Rate*	Median Family Income	Qualifying Income**	Composite Afford-ability Index
Baltimore, MD	$92,200	9.77	$37,411	$30,470	122.8
Boston, MA	177,000	10.16	43,858	59,948	73.2
Chicago, IL	99,600	9.90	35,737	33,282	107.4
Cleveland, OH	69,400	10.10	35,486	23,564	150.5
Dallas/Ft. Worth, TX	85,200	10.17	41,557	29,123	142.7
Denver, CO	80,800	9.44	39,772	25,954	153.2
Detroit, MI	71,900	10.30	37,645	24,844	151.5
Houston, TX	62,900	10.22	42,563	21,590	197.1
Indianapolis, IN	68,000	10.08	39,147	23,070	169.7
Kansas City, MO/KS	73,800	9.84	35,835	24,535	146.1
Los Angeles Area, CA#	201,000	9.31	33,977	63,833	53.2
Miami/Hialeah, FL	83,000	9.45	29,326	26,684	109.9
Milwaukee, WI	76,000	10.22	37,212	26,087	142.6
Minneapolis/St Paul, MN	85,900	9.27	43,191	27,184	158.9
NewYork/N. NewJersey/Long Island, NY/NJ/CT	179,700	9.68	30,346	58,931	51.5
Philadelphia, PA	104,700	10.01	37,296	35,312	105.6
Phoenix, AZ	78,500	9.85	35,287	26,120	135.1
Pittsburgh, PA	62,400	10.31	29,708	21,579	137.7
St. Louis, MO	81,400	9.80	36,896	26,970	136.8
San Diego, CA#	163,900	9.14	33,634	51,276	65.6
San Francisco Bay Area, CA#	243,900	9.16	42,815	76,440	56.1
Washington, DC/MD/VA	143,700	9.36	50,789	45,836	110.8

* Effective rate on loans closed on existing homes - Federal Home Loan Bank Board

** Based on current lending requirements of the Federal National Mortgage Association using a 20 percent down payment

*** All areas are metropolitan statistical areas (MSA) as defined by the US Office of Management and Budget. They include the named central city and surrounding areas.

Note: The California Association of REALTORS® publishes a housing affordability index for areas within the state which differs significantly from these values because it measures the proportion of households which could theoretically afford to purchase the median price home rather than the ability of a median income family to carry the mortgage. California data is provided for comparison only and is not to replace the currently available measures. The indices are roughly consistent.

HOUSING AFFORDABILITY INDEX FOR METROPOLITAN AREAS

Metropolitan Area*	Years			Quarters				
	1986	1987	1988	1988				1989
				I	II	III	IV	I
Baltimore, MD	125.5	133.8	129.0	135.6	128.8	123.2	126.4	122.8
Boston, MA	69.9	72.6	74.5	75.6	76.4	72.4	73.5	73.2
Chicago, IL	109.9	116.2	110.1	113.6	109.0	108.0	109.9	107.4
Cleveland, OH	140.0	152.7	154.0	154.7	154.6	154.3	152.5	150.5
Dallas/Ft. Worth, TX	117.7	132.5	143.2	140.3	143.2	141.9	147.3	142.7
Denver, CO	122.4	127.0	143.8	136.7	139.2	144.9	154.3	153.2
Detroit, MI	166.7	166.5	154.3	159.3	155.9	149.9	152.3	151.5
Houston, TX	150.9	182.5	199.8	199.6	196.3	184.2	219.1	197.1
Indianapolis, IN	161.1	176.4	177.3	188.1	178.1	172.6	170.6	169.7
Kansas City, MO/KS	147.2	149.5	157.2	159.2	156.8	156.5	156.2	146.1
Los Angeles Area, CA#	69.5	72.9	61.2	68.2	61.6	58.2	56.8	53.2
Miami/Hialeah, FL	94.3	108.8	113.4	117.5	111.2	112.9	111.9	109.9
Milwaukee, WI	147.6	162.1	149.3	147.8	148.4	149.2	151.9	142.6
Minneapolis/St. Paul, MN	148.4	164.1	156.7	162.9	159.4	159.9	144.6	158.9
New York/N. New Jersey/Long Island, NY/NJ/CT	49.3	50.4	50.6	50.4	49.3	49.8	53.0	51.5
Philadelphia, PA	112.4	110.3	108.9	113.4	110.6	105.5	106.2	105.6
Phoenix, AZ	117.9	130.6	134.7	134.8	137.0	133.5	133.7	135.1
Pittsburgh, PA	n/a	n/a	144.6	148.0	152.3	138.5	139.5	137.7
St. Louis, MO	137.4	147.3	150.0	161.9	144.7	143.1	150.2	136.8
San Diego, CA#	77.2	83.9	72.2	68.6	78.8	73.1	68.3	65.6
San Francisco Bay Area, CA#	69.9	76.8	69.0	77.2	71.2	66.4	61.2	56.1
Washington, DC/MD/VA	126.4	129.2	119.0	117.1	120.2	117.1	121.7	110.8

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Note: The California Association of REALTORS® publishes a housing affordability index for areas within the state which differs significantly from these values because it measures the proportion of households which could theoretically afford to purchase the median price home rather than the ability of a median income family to carry the mortgage. California data is provided for comparision only and is not to replace the currently available measures. The indices are roughly consistent.

NEW HOME MARKET

NEW PRIVATELY OWNED HOUSING UNITS STARTED
(Thousands of Units)

Year		Total	In structures with – – 1 unit	2 to 4 units	5 units or more	Regions Northeast	Midwest	South	West
1983		1,703	1,068	114	522	168	218	935	382
1984		1,750	1,084	121	544	204	243	866	436
1985		1,742	1,072	93	576	252	240	782	468
1986		1,805	1,179	84	542	294	296	733	483
1987		1,621	1,146	66	409	269	298	634	420
1988		1,488	1,080	59	349	235	274	574	404
			Seasonally Adjusted Annual Rates						
1988	May	1,392	1,001	53	338	202	267	562	361
	Jun	1,463	1,088	62	313	238	262	585	378
	Jul	1,478	1,067	50	361	255	283	566	374
	Aug	1,459	1,076	59	324	217	239	573	430
	Sep	1,463	1,039	62	362	206	258	576	423
	Oct	1,532	1,136	63	333	198	273	582	479
	Nov	1,567	1,138	68	361	219	275	613	460
	Dec	1,577	1,141	65	371	201	343	609	424
1989	Jan	1,678	1,199	66	413	293	313	642	430
	Feb	1,465	1,029	62	374	224	273	572	396
	Mar[r]	1,409	981	50	378	160	308	552	389
	Apr[r]	1,339	1,027	64	248	206	269	525	339
	May[p]	1,311[r]	980	46	285	186	269	516	364

r Revised p Preliminary
Source: Census Bureau, U.S. Department of Commerce.

NEW ONE-FAMILY HOUSES SOLD
(Thousands of houses sold during period)

Year		United States	Northeast	Midwest	South	West	United States	Northeast	Midwest	South	West
1983		623	76	71	323	152					
1984		639	94	76	309	160					
1985		688	112	82	323	170					
1986		750	136	90	321	190					
1987		671	117	97	271	186					
1988		677	102	97	275	202					
			Seasonally Adjusted Annual Rates					Not Seasonally Adjusted			
1988	May	679	101	93	290	194	64	10	10	27	18
	Jun	716	114	93	286	223	65	11	8	25	20
	Jul	701	104	93	283	221	57	9	8	23	17
	Aug	712	100	98	300	214	59	8	9	25	17
	Sep	691	86	99	261	245	54	7	8	21	18
	Oct	718	96	111	274	238	57	8	9	20	19
	Nov	650	65	104	254	227	43	5	7	17	15
	Dec	669	109	94	263	204	42	7	5	17	12
1989	Jan	700	121	106	265	207	52	8	6	21	17
	Feb[r]	621	84	103	236	198	51	6	8	20	17
	Mar[r]	547	110	98	196	143	57	11	10	21	15
	Apr[r]	597	87	98	228	183	60	8	11	23	19
	May[p]	613	98	83	234	197	58	10	8	22	18

Components may not agree with totals due to rounding.
r Revised p Preliminary
Source: Census Bureau, U.S. Department of Commerce.

NEW HOUSES SOLD BY SALES PRICE CLASS
MONTHS OF MAY
(Percentage Distribution)

Price Class	May 1985	May 1986	May 1987	May 1988[r]	May 1989[p]
Under $60,000	18	10	10	7	7
$60,000 to $79,999	32	25	17	15	12
$80,000 to $99,999	19	23	19	20	14
$100,000 to $119,999	8	12	14	14	12
$120,000 to $149,999	10	11	16	18	18
$150,000 and over	13	20	24	27	37
Median Sales Price	$80,100	$92,100	$104,900	$111,000	$125,000

r Revised p Preliminary
Source: Census Bureau, U.S. Department of Commerce.

NEW HOUSES SOLD BY SALES PRICE CLASS
FIRST QUARTER 1989[p]
(Percentage Distribution)

Price Class	United States	Northeast	Midwest	South	West
Under $60,000	8	*	12	16	*
$60,000 to $79,999	14	*	20	21	8
$80,000 to $119,999	28	19	27	33	27
$120,000 and over	50	81	40	30	65
Median Sales Price	$119,00	$186,200	$101,000	$90,900	$137,000

* Insufficient Sample Size
p Preliminary
Source: Census Bureau, U.S. Department of Commerce.